

IDAHO TEACHER COMPENSATION: PAST, PRESENT, AND FUTURE

Presentation to:
Education Improvement Committees 2014
Career Ladder/Tiered Licensure Committee

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Presentation Outline

- The Big Picture: a 22-Year General Fund History
- A Brief History of Idaho's Funding Model
- Salary-Based Apportionment
- Building A New Model - Factors for Consideration
- Proposed New Model
- Looking Ahead – Budget Timing and Revenues

Big Picture: 22-Year General Fund Appropriation History

- Public Schools received 46.8% of the FY 2014 General Fund Appropriation
- Public Schools averaged 48.1% of the annual General Fund Appropriation over the past 22 years

General Fund

Original Appropriations

Fiscal	Public	College &	All Other	Total	Health &	Adult & Juv	All Other	Total
Year	Schools	Universities	Education	Education	Welfare	Corrections	Agencies	Gen Fund
2015	\$1,374.6	\$251.2	\$153.7	\$1,779.5	\$637.3	\$243.3	\$276.0	\$2,936.1
2014	\$1,308.4	\$236.5	\$143.0	\$1,687.9	\$616.8	\$218.3	\$258.0	\$2,781.0
2013	\$1,279.8	\$228.0	\$138.0	\$1,645.7	\$610.2	\$205.5	\$240.7	\$2,702.1
2012	\$1,223.6	\$209.8	\$128.3	\$1,561.7	\$564.8	\$193.1	\$209.3	\$2,529.0
2011	\$1,214.3	\$217.5	\$129.9	\$1,561.7	\$436.3	\$180.7	\$205.1	\$2,383.8
2010*	\$1,231.4	\$253.3	\$141.2	\$1,625.8	\$462.3	\$186.8	\$231.7	\$2,506.6
2009	\$1,418.5	\$285.2	\$175.1	\$1,878.8	\$587.3	\$215.9	\$277.3	\$2,959.3
2008	\$1,367.4	\$264.2	\$166.2	\$1,797.7	\$544.8	\$201.2	\$276.9	\$2,820.7
2007*	\$1,291.6	\$243.7	\$148.4	\$1,683.7	\$502.4	\$178.0	\$229.7	\$2,593.7
2006	\$987.1	\$228.9	\$141.8	\$1,357.9	\$457.7	\$152.2	\$213.2	\$2,180.9
2005	\$964.7	\$223.4	\$138.3	\$1,326.3	\$407.6	\$142.8	\$205.5	\$2,082.1
2004	\$943.0	\$218.0	\$131.3	\$1,292.3	\$375.8	\$140.6	\$195.3	\$2,004.1
2003	\$920.0	\$213.6	\$130.4	\$1,264.0	\$359.6	\$145.0	\$199.3	\$1,967.9
2002	\$933.0	\$236.4	\$142.1	\$1,311.5	\$358.0	\$147.3	\$227.5	\$2,044.3
2001*	\$873.5	\$215.0	\$121.1	\$1,209.5	\$282.1	\$123.2	\$189.2	\$1,804.0
2000	\$821.1	\$202.0	\$110.4	\$1,133.4	\$270.7	\$108.5	\$162.1	\$1,674.7
1999	\$796.4	\$192.9	\$103.5	\$1,092.8	\$252.7	\$106.4	\$159.0	\$1,610.8
1998	\$705.0	\$178.6	\$94.4	\$978.0	\$236.6	\$90.3	\$134.0	\$1,438.9
1997	\$689.5	\$178.0	\$94.4	\$961.9	\$238.5	\$78.6	\$133.7	\$1,412.7
1996*	\$664.0	\$171.0	\$88.8	\$923.8	\$224.3	\$73.5	\$127.3	\$1,348.8
1995	\$620.5	\$164.5	\$87.8	\$872.8	\$226.9	\$50.3	\$114.2	\$1,264.2
1994	\$528.0	\$146.0	\$75.7	\$749.7	\$192.5	\$44.2	\$98.1	\$1,084.6

Percentage of General Fund Original Appropriations

Fiscal Year	Public Schools	College & Universities	All Other Education	Total Education	Health & Welfare	Adult & Juv Corrections	All Other Agencies	Total
2015	46.8%	8.6%	5.2%	60.6%	21.7%	8.3%	9.4%	100%
2014	47.0%	8.5%	5.1%	60.7%	22.2%	7.8%	9.3%	100%
2013	47.4%	8.4%	5.1%	60.9%	22.6%	7.6%	8.9%	100%
2012	48.4%	8.3%	5.1%	61.8%	22.3%	7.6%	8.3%	100%
2011	50.9%	9.1%	5.5%	65.5%	18.3%	7.6%	8.6%	100%
2010*	49.1%	10.1%	5.6%	64.9%	18.4%	7.5%	9.2%	100%
2009	47.9%	9.6%	5.9%	63.5%	19.8%	7.3%	9.4%	100%
2008	48.5%	9.4%	5.9%	63.7%	19.3%	7.1%	9.8%	100%
2007*	49.8%	9.4%	5.7%	64.9%	19.4%	6.9%	8.9%	100%
2006	45.3%	10.5%	6.5%	62.3%	21.0%	7.0%	9.8%	100%
2005	46.3%	10.7%	6.6%	63.7%	19.6%	6.9%	9.9%	100%
2004	47.1%	10.9%	6.6%	64.5%	18.8%	7.0%	9.7%	100%
2003	46.8%	10.9%	6.6%	64.2%	18.3%	7.4%	10.1%	100%
2002	45.6%	11.6%	7.0%	64.2%	17.5%	7.2%	11.1%	100%
2001*	48.4%	11.9%	6.7%	67.0%	15.6%	6.8%	10.5%	100%
2000	49.0%	12.1%	6.6%	67.7%	16.2%	6.5%	9.7%	100%
1999	49.4%	12.0%	6.4%	67.8%	15.7%	6.6%	9.9%	100%
1998	49.0%	12.4%	6.6%	68.0%	16.4%	6.3%	9.3%	100%
1997	48.8%	12.6%	6.7%	68.1%	16.9%	5.6%	9.5%	100%
1996*	49.2%	12.7%	6.6%	68.5%	16.6%	5.4%	9.4%	100%
1995	49.1%	13.0%	6.9%	69.0%	17.9%	4.0%	9.0%	100%
1994	48.7%	13.5%	7.0%	69.1%	17.8%	4.1%	9.0%	100%
2010*Moved Deaf/Blind School from "Other Education" to "Public Schools"; Historical Society and Libraries to "All Other Agencies".								
2007*Adjusted for H1 of 2006 Special Session which increased Public Schools General Fund by \$250,645,700.								
2001*Moved Department of Environmental Quality and Veterans Services from H&W to "All Other Agencies".								
1996*Moved Juvenile Corrections from Health and Welfare to "Adult & Juv Corrections".								

Idaho Legislative Services Office, Budget & Policy Analysis

4/30/2014

A Brief History of Teacher Compensation

- ❑ Single salary schedules common in school districts since early 1950s
- ❑ State funding based on weighted average daily attendance and state average cost per student, 1960s – 1970s
- ❑ State funding to districts based on support units and state average cost, 1980s
- ❑ No statewide salary schedule prior to 1990s
- ❑ Lawsuits and turmoil in Idaho, early 1990s
- ❑ “Select Committee on Thoroughness” (task force) was formed 1993
 - ❑ Held meetings across the state

A Brief History of Teacher Compensation

- ❑ Senate Bill 1560 (1994 Session)
 - ❑ New funding formula using a statewide salary grid, base salaries, and staff allowances
 - ❑ Instructors base salary set at \$19,328. This was determined by taking 82% of the national average instructor salary (\$35,000) and dividing by the statewide index ($\$28,700 / 1.4849 \text{ index} = \$19,328$)
- ❑ Recession during FY 2010 and FY 2011 resulted in freezing of the salary grid
- ❑ Students Come First efforts in FY 2012 and FY 2013
- ❑ Propositions 1, 2, and 3 in FY 2013
- ❑ Task Force Efforts FY 2013 and FY 2014

K-12 Funding Flow

Available Funds



Statutory Distributions
Salary Based Apportionment



Non-Statutory Distributions



Discretionary Funds

Salary-Based Apportionment Section 33-1004E, Idaho Code

1. Support Units (based on ADA)

multiplied by

2. Staff Allowance (1.1 instructional, .075 administrators, .375 classified)

multiplied by

3. Base Salaries plus min. salary for instructors

multiplied by

4. Statewide Experience and Education Index

= Salary-Based Apportionment

multiplied by

State-Paid Variable Benefit Rate for PERSI and FICA at 18.97%

plus

Unemployment Insurance

Salary Multiplier Table (“the Grid”)

Section 33-1004A, Idaho Code

				MA	MA + 12	MA + 24	MA + 36
Years	BA	BA + 12	BA + 24	BA + 36	BA + 48	BA + 60	PhD
0	1.0000	1.0375	1.0764	1.1168	1.1587	1.2022	1.2473
1	1.0375	1.0764	1.1168	1.1587	1.2022	1.2473	1.2941
2	1.0764	1.1168	1.1587	1.2022	1.2473	1.2941	1.3426
3	1.1168	1.1587	1.2022	1.2473	1.2941	1.3426	1.3929
4	1.1587	1.2022	1.2473	1.2941	1.3426	1.3929	1.4451
5	1.2022	1.2473	1.2941	1.3426	1.3929	1.4451	1.4993
6	1.2473	1.2941	1.3426	1.3929	1.4451	1.4993	1.5555
7	1.2941	1.3426	1.3929	1.4451	1.4993	1.5555	1.6138
8	1.3426	1.3929	1.4451	1.4993	1.5555	1.6138	1.6743
9	1.3929	1.4451	1.4993	1.5555	1.6138	1.6743	1.7371
10	1.3929	1.4993	1.5555	1.6138	1.6743	1.7371	1.8022
11	1.3929	1.4993	1.5555	1.6138	1.7371	1.8022	1.8698
12	1.3929	1.4993	1.5555	1.6138	1.7371	1.8698	1.9399
13+	1.3929	1.4993	1.5555	1.6138	1.7371	1.8698	2.0126

This table determines the statewide index for experience and education

Salary Multiplier Table ("the Grid") Section 33-1004A, Idaho Code with Base Salary of \$23,123

Base	\$23,354			MA	MA + 12	MA + 24	MA + 36
Years	BA	BA + 12	BA + 24	BA + 36	BA + 48	BA + 60	PhD
0	\$23,354	\$24,230	\$25,138	\$26,082	\$27,060	\$28,076	\$29,129
1	\$24,230	\$25,138	\$26,082	\$27,060	\$28,076	\$29,129	\$30,222
2	\$25,138	\$26,082	\$27,060	\$28,076	\$29,129	\$30,222	\$31,355
3	\$26,082	\$27,060	\$28,076	\$29,129	\$30,222	\$31,355	\$32,530
4	\$27,060	\$28,076	\$29,129	\$30,222	\$31,355	\$32,530	\$33,749
5	\$28,076	\$29,129	\$30,222	\$31,355	\$32,530	\$33,749	\$35,015
6	\$29,129	\$30,222	\$31,355	\$32,530	\$33,749	\$35,015	\$36,327
7	\$30,222	\$31,355	\$32,530	\$33,749	\$35,015	\$36,327	\$37,689
8	\$31,355	\$32,530	\$33,749	\$35,015	\$36,327	\$37,689	\$39,102
9	\$32,530	\$33,749	\$35,015	\$36,327	\$37,689	\$39,102	\$40,568
10	\$32,530	\$35,015	\$36,327	\$37,689	\$39,102	\$40,568	\$42,089
11	\$32,530	\$35,015	\$36,327	\$37,689	\$40,568	\$42,089	\$43,667
12	\$32,530	\$35,015	\$36,327	\$37,689	\$40,568	\$43,667	\$45,304
13+	\$32,530	\$35,015	\$36,327	\$37,689	\$40,568	\$43,667	\$47,002

This is an example of a single salary schedule

Salary Multiplier Table (“the Grid”) Section 33-1004A, Idaho Code with \$31,750 Minimum Teacher Salary

				MA	MA + 12	MA + 24	MA + 36
Years	BA	BA + 12	BA + 24	BA + 36	BA + 48	BA + 60	PhD
0	\$31,750	\$31,750	\$31,750	\$31,750	\$31,750	\$31,750	\$31,750
1	\$31,750	\$31,750	\$31,750	\$31,750	\$31,750	\$31,750	\$31,750
2	\$31,750	\$31,750	\$31,750	\$31,750	\$31,750	\$31,750	\$31,750
3	\$31,750	\$31,750	\$31,750	\$31,750	\$31,750	\$31,750	\$32,530
4	\$31,750	\$31,750	\$31,750	\$31,750	\$31,750	\$32,530	\$33,749
5	\$31,750	\$31,750	\$31,750	\$31,750	\$32,530	\$33,749	\$35,015
6	\$31,750	\$31,750	\$31,750	\$32,530	\$33,749	\$35,015	\$36,327
7	\$31,750	\$31,750	\$32,530	\$33,749	\$35,015	\$36,327	\$37,689
8	\$31,750	\$32,530	\$33,749	\$35,015	\$36,327	\$37,689	\$39,102
9	\$32,530	\$33,749	\$35,015	\$36,327	\$37,689	\$39,102	\$40,568
10	\$32,530	\$35,015	\$36,327	\$37,689	\$39,102	\$40,568	\$42,089
11	\$32,530	\$35,015	\$36,327	\$37,689	\$40,568	\$42,089	\$43,667
12	\$32,530	\$35,015	\$36,327	\$37,689	\$40,568	\$43,667	\$45,304
13+	\$32,530	\$35,015	\$36,327	\$37,689	\$40,568	\$43,667	\$47,002

Building a New Model

Below are some themes from the March 15, 2013 meeting of the Fiscal Stability Committee:

	Yes	No
Easy to Understand		
Stability		
Provides Accountability		
Fully-Funded		
Considers Rural Idaho		
Equitable		
Adequate/Competitive		
Flexibility		
Focus on Achievement		
Equalized		

Proposed Career Ladder Salary Table

Six Year Phase-In

Est. Cost: \$26M year 1; \$42M annually years 2-6

Salary Table					
Career Ladder Rung	Step 0	Step 1	Step 2	Step 3	Step 4
Standard Teacher	\$40,000	\$40,500	\$41,000	\$41,500	\$42,000
Professional Teacher*	\$49,000	\$49,500	\$50,000	\$50,500	\$51,000
Master Teacher*	\$58,000	\$58,500	\$59,000	\$59,500	\$60,000

** An additional \$1,000 per Professional Teacher and \$2,000 per Master Teacher will be distributed to each district for a leadership award pool.*

Looking Ahead

FY 2016 Budget Timeline

- Budgets Requests Due to LSO and DFM by September 2, 2014
- Budget Coalition Meeting at SDE mid-August

Looking Ahead

General Fund Revenue Forecasts

- FY 2014 – Tracking at \$14.7M ahead of forecast for first nine months. April is largest month
 - If forecast is met for remaining three months:
 - \$10 million deposited into PESF at end of FY 2014
 - \$40 million carried over to start FY 2015
- FY 2015 - Adjusted Revenue Forecast is 6.1% above FY 2014 Forecast (revise August 2014)
- FY 2016 – No Forecast Until January 2015

Looking Ahead

FY 2016 General Fund for Public Schools Scenario

- 5% Approp. for FY 2016 would be \$69 Million

This Could Include:

- \$26M for Career Ladder
- \$15M for Enrollment Growth, Bond Levy, etc.
- \$28M to Restore Discretionary Funds
- No increases for: technology, prof. development, salaries for admin. and classified staff, backfill of discretionary funds, PERSI increase, or new line items

Questions

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